



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB0376

Introduced 1/30/2009, by Rep. Arthur L. Turner

#### SYNOPSIS AS INTRODUCED:

35 ILCS 200/21-315

Amends the Property Tax Code. In a Section concerning interest paid on refunds for sales in error, provides that the interest shall not exceed the full amount of delinquent taxes, general taxes, special taxes, special assessments, interest, penalties, and costs as are included in the judgment and order of sale. Provides that the interest shall be simple interest calculated based on the principal amount of the refund. Effective immediately.

LRB096 02883 HLH 12897 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing  
5 Section 21-315 as follows:

6 (35 ILCS 200/21-315)

7 Sec. 21-315. Refund of costs; interest on refund.

8 (a) If a sale in error under Section 21-310, 22-35, or  
9 22-50 is declared, the amount refunded shall also include all  
10 costs paid by the owner of the certificate of purchase or his  
11 or her assignor which were posted to the tax judgment, sale,  
12 redemption and forfeiture record.

13 (b) In those cases which arise solely under grounds set  
14 forth in Section 21-310, the amount refunded shall also include  
15 interest on the refund of the amount paid for the certificate  
16 of purchase, except as otherwise provided in this Section.  
17 Interest shall be awarded and paid to the tax purchaser at the  
18 rate of 1% per month from the date of sale to the date of  
19 payment, or in an amount equivalent to the penalty interest  
20 which would be recovered on a redemption at the time of payment  
21 pursuant to the order for sale in error, whichever is less.  
22 Interest paid under this Section shall not exceed the full  
23 amount of delinquent taxes, general taxes, special taxes,

1 special assessments, interest, penalties, and costs as are  
2 included in the judgment and order of sale pursuant to Section  
3 21-260. Interest shall not be paid when the sale in error is  
4 made pursuant to paragraph (2) or (4) of subsection (b) of  
5 Section 21-310, Section 22-35, Section 22-50, any ground not  
6 enumerated in Section 21-310, or in any other case where the  
7 court determines that the tax purchaser had actual knowledge  
8 prior to the sale of the grounds on which the sale is declared  
9 to be erroneous. Any interest calculated pursuant to this  
10 Section shall be simple interest calculated based only on the  
11 principal amount of the refund.

12 (c) When the county collector files a petition for sale in  
13 error under Section 21-310 and mails a notice thereof by  
14 certified or registered mail to the last known owner of the  
15 certificate of purchase, any interest otherwise payable under  
16 this Section shall cease to accrue as of the date the petition  
17 is filed, unless the tax purchaser agrees to an order for sale  
18 in error upon the presentation of the petition to the court.  
19 Notices under this subsection may be mailed to the last known  
20 owner of the certificate of purchase. When the owner of the  
21 certificate of purchase contests the collector's petition  
22 solely to determine whether the grounds for sale in error are  
23 such as to support a claim for interest, the court may direct  
24 that the principal amount of the refund be paid to the owner of  
25 the certificate of purchase forthwith. If the court thereafter  
26 determines that a claim for interest lies under this Section,

1 it shall award such interest from the date of sale to the date  
2 the principal amount was paid. If the owner of the certificate  
3 of purchase files an objection to the county collector's  
4 intention to declare an administrative sale in error, as  
5 provided under subsection (c) of Section 21-310, and,  
6 thereafter, the county collector elects to apply to the circuit  
7 court for a sale in error under subsection (a) of Section  
8 21-310, then, if the circuit court grants the county  
9 collector's application for a sale in error, the court may not  
10 award interest to the owner of the certificate of purchase for  
11 the period after the mailing date of the county collector's  
12 notice of intention to declare an administrative sale in error.  
13 (Source: P.A. 94-662, eff. 1-1-06.)

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.